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**BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES**

Application Number: 10/797,464
Filing Date: March 10, 2004
Appellant(s): FOLTZ-SMITH ET AL.

Stephen M. DeKlerk
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed 13 December 2010 appealing from the Office action mailed 31 August 2010.

(1) Real Party in Interest

The Examiner has no comment on the statement, or lack of statement, identifying by name the real party in interest in the brief.

(2) Related Appeals and Interferences

The Examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(3) Status of Claims

The following is a list of claims that are rejected and pending in the application:

Claims 22-29, 31-41, 43-56 and 58-66 are currently pending and have been rejected under 35 U.S.C §103(a). Claim 34 is also rejected under 35 U.S.C. §112 2nd paragraph.

(4) Status of Amendments After Final

The amendment to claim 34 filed on 13 December 2010 was filed on the same day as the notice of appeal and the appeal brief. Accordingly Examiner may not enter the amendment because 37 C.F.R. § 41.33(b) requires that once the notice of appeal and the appeal brief are filed, Examiner may only permit entry of amendments that (1) cancel claims, (2) change a dependent claim to an independent claim, or (3) place the claims in condition for allowance. The 13 December 2010 un-entered amendment of claim 34 does not cancel the claim, change the dependency of the claim or put the claim in condition for allowance. The amendment merely serves to overcome the aforementioned 35 U.S.C. § 112 2nd antecedent basis rejection and claim objection. Examiner indicated to Appellant via an advisory action mailed on 30 December 2010 that the amendment to claim 34 will not be entered in accordance with procedure outlined in MPEP § 1206 and 37 C.F.R. § 41.33(b). Examiner notes that the current Appeal was not filed after a final rejection of the claims, but rather after a non-final rejection of the claims filed in an RCE. The current rejection was not made final; nevertheless, Appellant's statement of the claims and Appellants statement of the amendments to the claims is incorrect in light of Appellant's filing of the amendments simultaneously with the notice of appeal and the appeal brief.

(5) Summary of Claimed Subject Matter

Appellant's summary of the claimed subject matter is incorrect with respect to independent claim 34 as noted above. Appellant assumes that the amendment to claim 34 was entered and it was not entered because the timing of Appellant's filing of the claim amendment was not proper. Accordingly, the claimed subject matter is most accurately represented by the claims as filed by Appellant on 23 April 2010. The only significant difference between Appellant's summary of the claimed subject matter and the an accurate summary of the claimed subject matter is that claim 34 currently discloses the limitation "utilizing the processor to operate the search engine to extract..." not "utilizing a processor..." Claim 43 is also improperly portrayed by Appellant's appendix listing the claims; however the difference between Appellant's portrayal of claim 43 to the Board and the current status of claim 43 is that claim 43 contains a typo (a misplaced numeral) which was objected to by Examiner. With the exception of claims 34 and 43, Examiner agrees with Appellant's summary of the claimed subject matter and has no further comment.

(6) Grounds of Rejection to be Reviewed on Appeal

The Examiner has no comment on the Appellant's statement of the grounds of rejection to be reviewed on appeal. Every ground of rejection set forth in the Office action from which the appeal is taken (as modified by any advisory actions) is being maintained by the Examiner except for the grounds of rejection (if any) listed under the subheading "WITHDRAWN REJECTIONS." New grounds of rejection (if any) are provided under the subheading "NEW GROUNDS OF REJECTION."

(7) Claims Appendix

As indicated above, the claims appendix assumes entry of the claim amendment filed on 13 December 2010 concurrently with Appellant's notice of appeal and appeal brief and accordingly was not entered. Therefore the claims appendix is inaccurate with respect to claims 34 and 43. Claim 34 currently discloses the limitation "utilizing the processor to operate the search engine to extract..." not "utilizing a processor..." as portrayed in the claims appendix. Further claim 43 currently discloses the limitation "comparing a random number, having a value between zero and one, to the pacing factor for each sponsor's ad and displaying the sponsor's ad on the search provider's web page only 5 if the pacing factor is greater than the random number," however claims appendix portrays this claim limitation without

the numeral "5." Examiner has no comment with respect Appellant's portrayal of the remaining claims in the claims appendix.

(8) Evidence Relied Upon

Cheung et al. U.S. 2003/0028529

Leishman et al. U.S. 2004/0073538

(9) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claim 34 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claim 34 recites the limitation "the processor," there is insufficient antecedent basis for this limitation in the claim.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

Claims 22-29, 31-41, 43-56 and 58-66 are rejected under 35 U.S.C. 103(a) as being unpatentable over Cheung et al. (U.S. 2003/0028529) in view of Leishman et al. (U.S. 2004/0073538).

Claim 22:

Examiner's Note: Applicant properly claims a system in the claim below, however the system of this claim is extremely broad as it is only limited to a processor and a medium containing software that the processor is at least capable of reading. The broadest reasonable interpretation of the claim therefore is that the software is read but not executed. There is no functional relationship between the software in this claim and the processor or the medium. In this situation patentable weight is not given to the software elements in the claim because the data is not functional but merely descriptive. Software is functional descriptive material when it is executed, not simply when it is read. Examiner maintains, as in the previous Office action, that the cited art of record discloses the limitations below whether or not the limitations carry patentable weight in the claim.

Cheung, as shown, discloses the following limitations:

- *at least one processor* (see at least ¶0040, a server),
- *a medium connected to the processor* (see at least ¶0040, a communications medium, the internet),
- *a set of software on the medium and being at least readable by the processor the set of software including: advertiser payment information; a query receiving function executable by the processor to receive a search query over a network from a user computer system the query having an associated query sales category among a plurality of query sales categories; geographic data of a location; an advertiser data store including a plurality of advertiser entries each being associated with a respective data store sales category; a search engine executable by the processor to extract a plurality of search result from the advertiser entries based on the geographic location*

data and by associating the query sales category with one of the data store sales categories; a ranking function executable by the processor to rank the search results based on at least the advertiser payment information into a ranked set of search results; and a transmission function executable by the processor to transmit the set of ranked search results over a network to the user computer system, each one of the ranked search results including a link to retrieve a respective advertiser web page over a network from a respective advertiser computer system utilizing the user computer system (see at least Figure 1, items 102 search engine, 104 search results database and 105 account database, databases inherently include the functionality of ranking and categorizing/"mapping to a category", see also at least figure 4, networking functionality),

Cheung does not specifically disclose *geographic data of a location* however Leishman discloses location information (see at least ¶0044) and more general geographic information (see at least ¶¶0032 and 0041). It would have been obvious to one having ordinary skill in the art at the time of the invention to combine the additional data of the Leishman invention with the Cheung invention since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Claims 23, 35 and 50:

The combination Cheung/Leishman discloses the limitations as shown in the rejection above. Further, Cheung, as shown, discloses the following limitation:

- *wherein the ranking is dependent upon whether a link included in an ad has received a predetermined number of clicks within a predetermined period of time (see at least ¶0139, when the account is exhausted the ad is no longer*

positioned with the paid advertisements/displayed, see also at least ¶¶0124 and 0048).

Claims 24, 36 and 51:

The combination Cheung/Leishman discloses the limitations as shown in the rejection above. Further, Cheung, as shown, discloses the following limitation:

- *a sponsor is an advertiser that has a financial agreement with the search provider regarding the inclusion of the sponsor's ad on the search provider's web page* (see at least ¶0047, advertiser opens an account),
- *a non-sponsor is an advertiser whose ad is displayed on the search provider's web page free of charge* (see at least ¶0048, non paid website descriptions/listings),
- *non-sponsors' ads are displayed in a region of the search provider's web page below another region of the search provider's web page where sponsors' ads are displayed* (see at least ¶0048, non paid listings appear separately or at the bottom of paid listings).

Claims 25, 37 and 52:

The combination Cheung/Leishman discloses the limitations as shown in the rejection above. Further, Cheung, as shown, discloses the following limitation:

- *the search provider is due a fee from a sponsor every time a user selects a link associated with the sponsor's ad displayed on the search provider's web page* (see at least ¶0117, "a money amount that is deducted from the account of the advertiser for each time the advertiser's webs site is accessed via a hyperlink on the search result page").

Claims 26, 38 and 53:

The combination Cheung/Leishman discloses the limitations as shown in the rejection above. Further, Cheung, as shown, discloses the following limitation:

- *the sponsor's ad has associated with it a cap amount that is the maximum amount of money that a sponsor can be billed by the search provider for the sponsor's ad within a billing cycle* (see at least ¶0124, advertise may prepay for clicks).

Claims 27, 39 and 54:

The combination Cheung/Leishman discloses the limitations as shown in the rejection above. Further, Cheung, as shown, discloses the following limitation:

- *a location where the sponsor's ad is displayed on the search provider's web page is influenced by a difference between the cap amount and a total accrued debt owed by the sponsor to the search provider for the sponsor's ad* (see at least ¶0124, if there are not enough funds, the advertisement will not appear in the search results).

Claims 28, 40 and 55:

The combination Cheung/Leishman discloses the limitations as shown in the rejection above. Further, Cheung, as shown, discloses the following limitation:

- *the sponsor's ad is located within the region of the search provider's web page with non-sponsors' ads when the total accrued debt owed by the sponsor to the search provider for the sponsor's ad equals the cap amount* (see at least ¶0048, non-paid listings appear in a different section or below paid listings, and are retrieved based on relevance to the search).

Claims 29, 41 and 56:

The combination Cheung/Leishman discloses the limitations as shown in the rejection above. Further, Cheung, as shown, discloses the following limitation:

- *the sponsor can change the cap amount* (see at least ¶0124, advertiser may add funds).
- *longer positioned with the paid advertisements/displayed see also ¶0124).*

Claims 31, 46 and 61:

Art Unit: 3622

The combination Cheung/Leishman discloses the limitations as shown in the rejection above. Cheung does not specifically disclose the following limitation. However, Leishman, as shown, discloses the following limitation:

- *a geo-location function that determines a location of the user computer system* (see at least ¶0030, the polygon search module),
- *determining a location of the user computer system utilizing a geo-location function* (see at least ¶0030, the polygon search module),

It would have been obvious to one having ordinary skill in the art at the time of the invention to combine the additional data of the Leishman invention with the Cheung invention since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Claims 32, 47 and 62:

The combination Cheung/Leishman discloses the limitations as shown in the rejection above. Cheung does not specifically disclose the following limitation. However, Leishman, as shown, discloses the following limitation:

- *a geo-location function calculating a geographic region of consideration, and removing all sponsor ads from the list of sponsors' ads when the respective sponsor's business location is outside of the geographic region of consideration* (see at least ¶0030, the polygon search module),

It would have been obvious to one having ordinary skill in the art at the time of the invention to combine the additional data of the Leishman invention with the Cheung invention since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Claims 33, 48 and 63:

The combination Cheung/Leishman discloses the limitations as shown in the rejection above. Cheung does not specifically disclose the following limitation. However, Leishman, as shown, discloses the following limitation:

- *the geographic region of consideration is a circle having a center point and a radius, and the radius is multiplied by a market multiplier factor that varies as a function of a location of the center point* (see at least ¶0030, the polygon search module),

It would have been obvious to one having ordinary skill in the art at the time of the invention to combine the additional data of the Leishman invention with the Cheung invention since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Claims 34 and 49:

Cheung, as shown, discloses the following limitations:

- *storing advertiser information on at least one computer-readable medium* (see at least figure 1, item 105 account database),
- *storing a plurality of advertiser entries in a data store on the medium each advertiser entry being associated with a respective data store sales category* (see at least figure 1, item 105 account database),
- *storing a search engine on the medium* (see at least ¶0108, search engine on a search engine server),
- *receiving a search query over a network from a user computer system at a server computer system, the query having an associated query sales category among a plurality of query sales categories* (see at least figure 1,

item, 102 search engine, inherently a search engine receives a search query, see also at least ¶0118),

- *utilizing the processor to operate the search engine to extract a plurality of search result from the advertiser entries based on the geographic location data and by associating the query sales category with one of the data store sales categories* (see at least ¶¶0011 and 0118, using a search engine; see also at least Leishman ¶0040 category tree),
- *utilizing the processor to rank the search results based on at least the advertiser payment information to a ranked set of search results* (see at least ¶0048, the bid amount for the ad dictates the ad placement in the search result list, see also at least ¶0117),
- *utilizing the processor to transmit the set of ranked search results from the server computer system over a network to the user computer system, each one of the ranked search results including a link to retrieve a respective advertiser web page over a network from a respective advertiser computer system* (see at least ¶0014, advertisers pay for click through referrals generated from the search result list generated by the search engine),

Cheung does not specifically disclose *geographic data* however Leishman discloses location information (see at least ¶0044) and more general geographic information (see at least ¶¶0032 and 0041). Further Cheung does not specifically disclose the following limitation. However, Leishman, as shown, discloses the following limitation:

- *storing geographic data of a location on the medium* (see at least ¶0044),

It would have been obvious to one having ordinary skill in the art at the time of the invention to combine the additional data of the Leishman invention with the Cheung invention since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did

separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Claims 43 and 58:

The combination Cheung/Leishman discloses the limitations as shown in the rejection above. Further, Cheung, as shown, discloses the following limitations:

- *calculating a pacing factor* (see at least ¶0090, capping accounts by time period),
- *comparing a random number, having a value between zero and one, to the pacing factor for each sponsor's ad* (see at least ¶0099),
- *displaying the sponsor's ad on the search provider's web page only if the pacing factor is greater than the random number* (see at least ¶0106, changing account status may result in removal of an ad from search results),

Cheung discloses projecting expenses predicting the projected number of days until the exhaustion of account funds (see at least ¶139) and creating invoice caps for specific time periods (see at least ¶0090). Further Cheung discloses an account monitoring method capable to removing ads from results tables when thresholds are exceeded (see at least ¶0099). Therefore it would have been obvious to one having ordinary skill in the art at the time of the invention to implement a pacing factor because Cheung discloses a comparable method.

Claims 44 and 59:

The combination Cheung/Leishman discloses the limitations as shown in the rejection above. Further, Cheung, as shown, discloses the following limitation:

- *sorting the sponsors' ads and displaying the sponsors' ads on the search provider's web page according to the cost-per-click multiplied by the click-through rate associated with each sponsor's ad* (see at least ¶0117, sorting the result list based on the amount bid which may be a cost-per-click, see

also at least ¶¶0139-0140 maximizing anticipated revenue based on cost-per-click and run rate).

Claims 45 and 60:

The combination Cheung/Leishman discloses the limitations as shown in the rejection above. Cheung does not specifically disclose the following limitation. However, Leishman, as shown, discloses the following limitation:

- *calculating a sorting factor* (see at least ¶0066, sort the result list),
- *sorting the sponsors' ads and displaying the sponsors' ads on the search provider's web page according to the sorting factor* (see at least ¶0066, sort the search result list),

It would have been obvious to one having ordinary skill in the art at the time of the invention to combine the additional sorting feature of the Leishman invention with the Cheung invention since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Claims 64-66:

The combination Cheung/Leishman discloses the limitations as shown in the rejection above. Further, Cheung, as shown, discloses the following limitation:

- *includes/executing a pacing function that calculates a billing frequency based on the cap amount and a future date or time* (see at least ¶0139, project expenses selection in the account management menu calculates the *days in the future* the until the exhaustion of funds (i.e. a billing frequency), Examiner notes that when the funds are exhausted the account is replenished/billed; the billing frequency is based on the prepaid balance/current balance (i.e. cap amount) and the estimated future daily clicks/daily run rate).

(10) Response to Argument

35 U.S.C. 112 2nd Paragraph Rejection of Claim 34

As noted above, Appellant's amendment to claim 34 was not entered because the amendment was not timely. Accordingly, Examiner could not enter the amendment because 37 C.F.R. § 41.33(b) requires that once the notice of appeal and the appeal brief are filed, Examiner may only permit entry of amendments that (1) cancel claims, (2) change a dependent claim to an independent claim, or (3) place the claims in condition for allowance. The 13 December 2010 un-entered amendment of claim 34 does not cancel the claim, change the dependency of the claim or put the claim in condition for allowance. The amendment merely serves to overcome the aforementioned 35 U.S.C. § 112 2nd antecedent basis rejection. Examiner indicated to Appellant via an advisory action mailed on 30 December 2010 that the amendment to claim 34 will not be entered in accordance with procedure outlined in MPEP § 1206 and 37 C.F.R. § 41.33(b). Examiner notes that the un-entered amendment would overcome the current 35 U.S.C. 112 2nd paragraph rejection of claim 34 if it were entered.

35 U.S.C. 103(a) Rejection of Claims 22-29, 31-41, 43-56, and 58-66

With respect to claim 22 Appellant first argues that "Cheung does not disclose the limitation of utilizing the query sales category to associate a data store sales category from the data store" (see page 15 of the appeal brief). Examiner first notes that claim 22 does not include a limitation of "utilizing the query sales category to associate a data store sales category from the data store," this limitation is found exclusively in claims 34 and 49. Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993). Accordingly Appellant's first argument alleging a deficiency of the Cheung reference is not persuasive because the allegedly un-taught limitation was not claimed by Appellant, therefore whether or not the Cheung reference teaches the un-claimed limitation has absolutely no impact on the scope of the rejection. Secondly Examiner cited the various databases illustrated by Cheung in figure 4 which disclose the claimed "functions executable by the processor" which include receiving a query including a "query sales category" and associating the "query sales category" with a "data store sales category" to retrieve a plurality of relevant search results. See at least ¶0138

Art Unit: 3622

which describes the search functionalities of the database cited to Appellant in figure 4. Here Cheung explains that the query is accepted from the user, and several matching schemes are performed to match the search term query entered by the remote searcher, i.e. "the query sales category" with the search term field of the search listing stored in the database i.e. "the data store sales category." There is no difference between the software content claimed by Appellant and the functionalities disclosed by Cheung with respect to associating query data and database data. Further Examiner cited Cheung ¶¶0011 and 0118, using a search engine and Leishman ¶0040, disclosing a category tree to reject the limitations of claims 34 and 49 "utilizing the processor to operate the search engine to extract a plurality of search result from the advertiser entries based on the geographic location data and by associating the query sales category with one of the data store sales categories." Accordingly, Appellant's argument with respect to claim 22 is deficient and unpersuasive because Appellant has been directed to relevant citations in the prior art that disclose these features. Examiner notes that Appellant raises no arguments with respect to claims 34 and 49 despite the fact that the rejections for these claims are slightly different from the rejection of claim 22 as a result of the differences in scope of claim 22 and claims 34 and 49.

Appellant asserts that Cheung discloses a "database that is structured" and that a search in the Cheung database cannot be conducted by "examining the structure of the database" (see page 15 of the Appeal brief). In fact Cheung never describes the databases in the Cheung disclosure as structured, and Appellant fails to provide any citation to Cheung to support Appellant's assertion. Further there is no suggestion in the claim language that Appellant has claimed a database or a function permitting an "examination of the structure of a database," therefore Examiner is not persuaded that the asserted distinction has any relevance to the claims. The presently claimed invention merely labels the search query and the as "sales categories" and the listings stored in the database as "sales categories." Cheung certainly permits an advertiser to use any type of query term in the advertiser's listing and likewise is capable of receiving any type of query from a searcher including a query that happens to be a sales category.

Examiner also reiterates that although the prior art rejection repeated above lends patentable weight to every limitation claimed by Appellant, the majority of the claim limitations were written in a

format such that the claim limitations are not positively recited, and do not patentably affect the scope of the claimed system (of claim 22). Examiner has repeatedly brought this to Appellant's attention, however Appellant has not once replied to this issue with an amendment or an argument.

Appellant notes that the remaining claims are similar to claim 22 and rise or fall with claim 22 (see page 16 of Appellant's remarks). Examiner disagrees as noted above. The majority of the claim limitations of claim 22 are not positively recited and have no effect on the scope of the claimed system of claim 22. The limitations of claims 34 and 49 do not have the same deficiencies. Claims 22 and claims 34 and 49 differ in scope as noted above and as demonstrated by the slightly different rejections.

Appellant notes where in the specification and where in various code which is part of the application support for various assertions may be found (see page 16-18 of the Appeal brief). Examiner is not sure what Appellant is trying to show support for, there is not currently a 112 first paragraph rejection. Examiner notes that the "description" of "query sales category" provided by Appellant on page 16 of the Appeal brief describes the same user search scheme highlighted by Examiner in the Cheung reference. Examiner stated that Cheung teaches a user submitting a query, there is no patentable distinction between search engines because a user chooses a query which may be "described" as a "sales category." The Cheung reference may accept a query such as "Italian restaurant" and search for listings including "Italian restaurant" as disclosed in Appellant's example on page 16. Further Examiner notes that the example from the specification fails to provide a limiting definition of "query sales category" that would restrict Examiner's interpretation of a claim limitation including "query sales category."

With respect to the declaration filed on 29 May 2009, Appellant maintains that the declaration is sufficient to overcome the current prior art rejection. The declaration under 37 CFR 1.132 filed 29 May 2009 is insufficient to overcome the rejection of claims 22, 34 and 49 based upon 35 U.S.C. 103(a) for being unpatentable over Cheung et al. (U.S. 2003/0028529) in view of Leishman et al. (U.S. 2004/0073538) as set forth above because: (A) the declaration fails to present objective evidence of nonobviousness, (B) the declaration fails to identify a nexus between the evidence presented in the declaration and the claims, (C) the evidence presented in the declaration is not supported by actual proof, (D) the opinion evidence presented in the declaration carries no weight because the opinion evidence is

presented by an interested party and because the opinion evidence is an opinion as to the ultimate legal conclusion at issue. Examiner notes that Appellant designated the evidence filed on 29 May 2009 an *affidavit*, however since the evidence submitted was not notarized but instead contains a declaration consistent with 37 CFR 1.68, the evidence submitted is a proper and timely filed *declaration* (see generally MPEP § 715.04(II)).

(A) The declaration fails to present *objective evidence of nonobviousness*. MPEP § 716.01(a) states that declarations must be considered by the Examiner in determining the issue of obviousness of claims for patentability when they contain "evidence of criticality or unexpected results, commercial success, long-felt but unresolved needs, failure of others, skepticism of experts, etc." In paragraph 5 of the declaration, Appellant declares that integrating a billing system, category-based and geo-location-based searching "is not a trivial matter;" it required six engineers and six months; and it required "considerable investment in time, money and effort." Appellant further declares that the *invention* is "non-trivial" because "it has taken other companies much longer to develop such a system;" and, to Appellant's "knowledge, no company was able to develop a local targeted pay per click advertisement system at least through the end of 2004." Appellant additionally appends several articles regarding Google and Yahoo product launches at or around 2004. The declaration appears to be focused on convincing Examiner that the claimed invention is not "a trivial matter" and is therefore not obvious. Examiner assures Appellant that at no point does Examiner rest his finding of obviousness upon a conclusion that Appellant's invention is a trivial matter. Further whether or not the declaration provides objective evidence indicating that the claimed *invention* is a non-trivial matter fails to address the *prima facie* case because the trivial nature of an invention is not pertinent to the question of obviousness. Further evidence of how long or how many resources an Appellant or any other entity has invested in developing in invention is not pertinent to the question of obviousness. Rather the courts have held that secondary considerations such as evidence of criticality or unexpected results, commercial success, long-felt but unresolved needs, failure of others, skepticism of experts, etc. may be pertinent to the question of obviousness. However, Appellant presented no such evidence in the declaration. Although, lack of objective evidence of nonobviousness does not weigh in favor of obviousness. *Miles Labs. Inc. v. Shandon Inc.*, 997 F.2d 870,

878, 27 USPQ2d 1123, 1129 (Fed. Cir. 1993), cert. denied, 127 L. Ed. 232 (1994). Where a *prima facie* case of obviousness is established, the failure to provide rebuttal evidence is dispositive. (see generally MPEP 716.01(a) for further guidance)

(B) The declaration fails to identify a nexus between the evidence presented in the declaration and the claims. Although the declaration fails to present objective evidence of nonobviousness, as noted above, the declaration nevertheless does present some evidence that may hold some probative value to the question of obviousness. MPEP 716.01(b) states "[t]o be given substantial weight in the determination of obviousness or nonobviousness, evidence of secondary considerations must be relevant to the subject matter as claimed, and therefore the Examiner must determine whether there is a nexus between the merits of the claimed invention and the evidence of secondary considerations. *Ashland Oil, Inc. v. Delta Resins & Refractories, Inc.*, 776 F.2d 281, 305 n.42, 227 USPQ 657, 673-674 n. 42 (Fed. Cir. 1985), cert. denied, 475 U.S. 1017 (1986). The term "nexus" designates a factually and legally sufficient connection between the objective evidence of nonobviousness and the claimed invention so that the evidence is of probative value in the determination of nonobviousness. *Demaco Corp. v. F. Von Langsdorff Licensing Ltd.*, 851 F.2d 1387, 7 USPQ2d 1222 (Fed. Cir.), cert. denied, 488 U.S. 956 (1988)." Here the evidence presented in the declaration does not even refer to the claimed invention. In paragraph 5, Appellant refers only to page 25 and 26 of code submitted by Appellant. The declaration does not present any facts demonstrating a connection between the evidence presented in the declaration and the claims. For example, one of the Graham factors for determination of obviousness considers the level of ordinary skill in the art at the time of the invention. Although, the declaration states that it took six skilled engineers six months to develop the invention and that it took other companies longer, the declaration is silent as to the level of *ordinary* skill in the art. The declaration does not provide a nexus to the evidence presented that advances a legal argument probative of obviousness. (see generally MPEP 716.01(b) for further guidance)

(C) The evidence presented in the declaration is not supported by actual proof. MPEP 716.01(c)(I) requires that any objective evidence be supported by actual proof and restates what is considered "objective evidence" as addressed above. Although the evidence presented in the declaration

is not "objective evidence," as noted above, the probative value of the evidence presented is further reduced because the evidence lacks proof. The appended articles generally discussing Google and Yahoo plans to launch search products are only proof of when Google and Yahoo planned to launch search products. It provides no probative value to the pending rejection nor does it support the evidence presented in the declaration.

(D) The opinion evidence presented in the declaration carries no weight because the opinion evidence is presented by an interested party and because the opinion evidence is an opinion as to the ultimate legal conclusion at issue. MPEP 716.01(c)(III) states that "[a]lthough factual evidence is preferable to opinion testimony, such testimony is entitled to consideration and some weight so long as the opinion is not on the ultimate legal conclusion at issue;" however, "*In re Lindell*, 385 F.2d 453, 155 USPQ 521 (CCPA 1967) ([a]lthough an affiant's or declarant's opinion on the ultimate legal issue is not evidence in the case, "some weight ought to be given to a persuasively supported statement of one skilled in the art on what was not obvious to him" 385 F.2d at 456, 155 USPQ at 524 (emphasis in original)." Here the declaration that the claims would not have been obvious to one skilled in the art (see paragraph 7 of the declaration) is not evidence and carries no weight. Further, unlike the *In re Lindell*, the declaration of Mr. Foltz-Smith does not provide evidence that the combination was not obvious to Mr. Foltz-Smith, only that it took him and 5 others 6 months to invent and develop the invention. In any case, MPEP 716.01(c)(III) further states that "in assessing the probative value of an expert opinion, the Examiner must consider the nature of the matter sought to be established, the strength of any opposing evidence, *the interest of the expert in the outcome of the case*, and the presence or absence of factual support for the expert's opinion" (emphasis added). Examiner recognizes that "[a]n affidavit of an Appellant as to the advantages of his or her claimed invention, while less persuasive than that of a disinterested person, cannot be disregarded for this reason alone. *Ex parte Keyes*, 214 USPQ 579 (Bd. App. 1982); *In re McKenna*, 203 F.2d 717, 97 USPQ 348 (CCPA 1953)" (*Id.*), however Examiner affords no weight to Appellant's declaration of what would have been obvious because it is both a conclusion of law directed to the ultimate legal conclusion at issue and because it is proffered by Appellant who is not a disinterested party.

The totality of the reasons above lead Examiner to the conclusion that the probative value of the evidence presented in the declaration is insufficient to overcome the 35 U.S.C. 103(a) rejections of claims 22, 34 and 49.

The ultimate determination of patentability must be based on consideration of the entire record, by a preponderance of evidence, with due consideration to the persuasiveness of any arguments and any secondary evidence. *In re Oetiker*, 977 F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992). The submission of objective evidence of patentability does not mandate a conclusion of patentability in and of itself. *In re Chupp*, 816 F.2d 643, 2 USPQ2d 1437 (Fed. Cir. 1987). Facts established by rebuttal evidence must be evaluated along with the facts on which the conclusion of a *prima facie* case was reached, not against the conclusion itself. *In re Eli Lilly*, 902 F.2d 943, 14 USPQ2d 1741 (Fed. Cir. 1990). In other words, each piece of rebuttal evidence should not be evaluated for its ability to knockdown the *prima facie* case. All of the competent rebuttal evidence taken as a whole should be weighed against the evidence supporting the *prima facie* case. *In re Piasecki*, 745 F.2d 1468, 1472, 223 USPQ 785, 788 (Fed. Cir. 1984). Although the record may establish evidence of secondary considerations which are indicia of nonobviousness, the record may also establish such a strong case of obviousness that the objective evidence of nonobviousness is not sufficient to outweigh the evidence of obviousness. *Newell Cos. v. Kenney Mfg. Co.*, 864 F.2d 757, 769, 9 USPQ2d 1417, 1427 (Fed. Cir. 1988), cert. denied, 493 U.S. 814 (1989); *Richardson-Vicks, Inc., v. The Upjohn Co.*, 122 F.3d 1476, 1484, 44 USPQ2d 1181, 1187 (Fed. Cir. 1997) (showing of unexpected results and commercial success of claimed ibuprofen and pseudoephedrine combination in single tablet form, while supported by substantial evidence, held not to overcome strong *prima facie* case of obviousness). See *In re Piasecki*, 745 F.2d 1468, 223 USPQ 785 (Fed. Cir. 1984) for a detailed discussion of the proper roles of the Examiner's *prima facie* case and Appellant's rebuttal evidence in the final determination of obviousness. (MPEP 716.01(d))

The evidence presented in the declaration carries little to no weight (as demonstrated above) with regard to the central issue of obviousness. Further the current rejection presents a strong *prima facie* case of obviousness. Appellant even admits that the prior art references teach all of the limitations of the independent claims (see paragraphs 3 and 4 of the declaration). Therefore the factual evidence presented in the declaration does not outweigh the factual evidence presented in the current rejection.

With respect to claims 64-66 Appellant argues that "a pacing factor is still not broadly used within the industry" (see page 19 of the Appeal brief). Examiner notes that whether a pacing factor is currently in use is not relevant to the current rejection which teaches that it was disclosed in the prior art and that it was obvious at the time of the invention by Appellant. Examiner further notes that Appellant presents no evidence on the record to support Appellant's arguments, and attorney argument may not be relied on as evidence. Accordingly Appellant's arguments with respect to claims 64-66 are not persuasive because they are not relevant and they are unsupported by evidence in the record.

Next Appellant argues that because of "the relative large period of time that has passed since the invention was made" Appellant believes that Examiner has relied on impermissible hindsight analysis by reaching the obviousness conclusion (see page 19 of the Appeal brief). This assertion is completely unsupported by Appellant. As is clearly demonstrated on the record and in the rejection repeated above, Examiner relies solely on the teachings present in the prior art, which were published and available to anyone having ordinary skill in the art before Appellant's invention, to demonstrate the obviousness of Appellant's claims. The length of patent prosecution has absolutely nothing to do with analyzing whether a rejection relies on facts that were not available to a person of ordinary skill in the art at the time of the invention. Appellant can not point to a single fact presented by Examiner which was not disclosed prior to the claimed invention.

In Appellant's final argument Appellant asserts that Appellant believes that Examiner's obviousness conclusion is deficient because "it was not common sense for one of ordinary skill in the art to come up with the invention" (see page 20 of the Appeal brief). This argument is not persuasive because at no point did Examiner ever assert a "common sense" rationale for obviousness (see the above rejection).

Art Unit: 3622

The current rejections should be affirmed. Appellant's claims are not allowable because they fail to overcome the current obviousness rejection and Appellant's arguments to the contrary are not persuasive for the reasons cited above.

(11) Related Proceeding(s) Appendix

No decision rendered by a court or the Board is identified by the Examiner in the Related Appeals and Interferences section of this Examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

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Supervisory Patent Examiner, Art Unit 3622

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